



Mayor Brindle's Opening Remarks

June 15, 2021

Good evening, everyone, and thanks for joining us virtually tonight. Please remember that public comment will only be accepted via Zoom, although we are live streaming for viewing only on Facebook. The replay will also be available afterwards on Facebook, YouTube, and TV 36.

Tonight we have another packed agenda, and will be introducing some very significant initiatives, including voting on a financial agreement with Elite Properties, as well as a Letter of Intent to enter into an unprecedented shared service agreement with the Board of Education to advance a proposal for new turf fields behind Edison School.

Westfield Crossing

First, let me address the financial agreement with the Elite Properties' Westfield Crossing project on South Avenue that we will be voting on tonight, as there has been a significant amount of misinformation circulating that I'd like to dispel.

As a reminder, this project is part of our court-ordered Fair Share Affordable Housing settlement that was negotiated by the previous administration, and we are now simply charged with overseeing and enabling its implementation. The financial agreement that we're voting on tonight is intended to avoid repeating the mistake of 333 Central, which was built with inferior architecture, materials, and no negotiated Town financial benefits or public improvements in a highly visible and critical location.

With Westfield Crossing, we are leveraging the benefits of state redevelopment legislation for the first time in Town history as part of my administration's desire to reign in developers and negotiate more control and better outcomes for new development projects. In this case, the agreement requires the creation of a new public park on the site, funded by Elite which will be deeded over to the Town, as well as a substantial contribution to our Park Improvement Fund that will support a renovation of the Windsor Park playground and other deeply needed improvements at our parks.

A project of this quality, along with the estimated \$750,000 in public improvements we are requiring, would not have been feasible without a PILOT agreement, known as a Payment In Lieu of Taxes. In the case of Westfield Crossing, the negotiated PILOT will result in a \$15MM net benefit to the Town over what traditional taxes would have yielded over the 30-year term.

Some are floating a narrative that a PILOT agreement short changes funding for the schools, which is simply not true. As a matter of fact, Elite's original proposal included 32 three bedroom units, but the PILOT agreement enabled us to implement a reduction of 24 three bedroom units and allow only the eight minimum required by the Council on Affordable Housing (COAH), mitigating the number of school age children the development would potentially attract. Using the conservative demographic multipliers prepared by Rutgers Bloustein School of Planning and Public Policy, the Westfield Crossing project could

generate 24 public school children, but the reality is there will most likely be half of that based upon what we have experienced in our four other recently developed projects and as well as what comparable surrounding communities have experienced. It's also important to note that school enrollment has been declining, and 2022 projected enrollment by the BOE is on par with where it was in 2015, so any school age kids resulting from this project would not require the schools to expend incremental resources or capital funds to educate them.

Additionally, PILOTS have no bearing on school finances, despite what many like to claim. For background, the Town is the collector of all taxes, even though we only retain 16% of what we collect. Every year the school district remits a "bill" to the Town to cover their budget, which includes their allowable 2% increase. The Town is statutorily required to pay the school district their full amount, regardless of what we collect. PILOT or no PILOT, the schools receive the same amount regardless. This came into stark view early in the pandemic when we were concerned about a reduction in tax collections in absence of being able to predict the pandemic's full economic impact. The school district would have received their requested funding from the Town regardless of our collection rate. The Town is always paid last.

In the case of Westfield Crossing, this PILOT agreement has absolutely no bearing on the school district's funding, and has actually enabled us to mitigate the potential school enrollment impact over the initial proposed plan. At the same time, the Town has been able to mandate upgrades to the overall project and negotiate for significant public improvements.

For those that claim PILOTS are a windfall for the developer over time, the agreement has a provision prohibiting excess profits, and the developer is required to submit audited financial statements every year to demonstrate compliance. For additional information and facts about this PILOT you can refer to a [Q&A posted on the Town website](#).

But there is more to it. It's not an accident that we're voting on the PILOT agreement on the same night we're introducing a Letter of Intent to enter into a shared service agreement with the BOE for the Town to build multiple lighted multipurpose fields behind Edison School. PILOTS are best used responsibly when they're tied to supporting specific capital projects that would otherwise be funded out of traditional taxes. In the case of Westfield Crossing, the PILOT funds we've negotiated will go towards servicing the debt on the construction of several long overdue lighted turf fields behind Edison School. This is a project that benefits the community at large including the school district, Edison Intermediate School, WHS student athletes, the many recreational sports leagues, and non-organized sports participants.

In summary, the Westfield Crossing PILOT agreement is allowing for a much higher quality project, a \$15MM net benefit to the Town over traditional taxes, a reduction in the number of initially planned school age kids, a free public park, a renovation of the Windsor Ave playground, and the ability to fund new turf fields. It's a win-win, and is the reason why redevelopment tools have been utilized by so many comparable suburban communities to control the impact of development and improve services for taxpayers.

Williams Nursery

I'd also like to clear up some questions I've received about potential development plans for the Williams Nursery site as a result of an ordinance we're also voting on tonight. The Williams Nursery site was one of the first properties to be included in Westfield's Affordable Housing plan back in 1991, which was reaffirmed in 2013, and then amended in 2017 to increase the density as part of an updated settlement. Like all properties in the affordable housing plan, if the owners choose to sell their property to a residential developer, the affordable housing mandate for the property applies and it cannot be used for any other purpose other than an affordable housing residential development.

I want to reiterate that the decision to sell the property is strictly at the discretion of the private property owner, and is unrelated to the action we're taking this evening. Tonight, we are voting on an ordinance to allow for the site to accommodate an additional six affordable housing units -- if and when Williams Nursery proceeds to sell their property for residential development -- that are being transferred in our affordable housing obligations from the Handler building on North Avenue. This transfer, which has been reviewed and approved by the Planning Board, is being made to allow for an adaptive commercial reuse of the Handler building in lieu of a 40 unit apartment building that was required by the affordable housing agreement to be built there. It was determined that adding 30 units to the already 132 unit existing plan for the Williams nursery site would not materially affect the project's scope or impact, while enabling a broad community benefit for a new commercial use at the Handler location. Worth noting is that we don't anticipate the need for a redevelopment or PILOT agreement for the Williams nursery site.

Parks & Recreation

Tonight is a big night for Parks and Recreation. We have a resolution on the agenda to accept the Recreation Commission's recommendation to renew [the agreement for The Westfield Rink](#) for two more years in its current location. The Westfield Rink has proven to be an invaluable asset to the community by enabling a significant expansion of girls ice hockey, but very importantly by providing a recreational outlet for many families, especially during the pandemic. Skate nights were sold out weeks in advance, and we heard from many parents that these events were the mental health break their family needed during a very difficult time. Rink operator Ken Anderson and his team have demonstrated an ongoing willingness to address concerns in the neighborhood and adapt their operations accordingly. Ken has proven to be a reliable partner and deserving of a two year renewal while we continue to engage in discussions with the County about their potential role and financial support in relocating the facility to a permanent location.

Also in the Parks and Recreation realm, we anticipate going out to bid for the proposed cell tower project at Houlihan/Sid Fay Fields that I mentioned back in February. As a reminder, we had brought on a consultant, at no cost, to fully evaluate wireless provider interest and to aid and advise the Town on negotiating a strong deal for Westfield. Any cell tower proposal would include a requirement to install bathrooms and substantial additional parking at the field complex as recommended in the Parks Strategic Plan. After working with our consultant, we anticipate issuing a public call for bids in the next week or so for cell service providers, and we will then evaluate any responses we receive and solicit

public input for consideration before any final decisions are made. The FAQs for this proposal can be found [here](#).

As I mentioned, we'll be hearing more about the exciting proposal for multipurpose fields at Edison School which represents an unprecedented collaboration between the Town and the Board of Education to partner on a project of broad significance to the community. I'd like to thank the members of the Recreation Commission and the Board of Education for their vision and partnership. With that, I'd like to hand this over to Recreation Commission liaison Councilman Scott Katz who will introduce the folks that will be taking us through the proposed plan.

Thank you.